

Forms W-2 Magnetic Media Specifications Handbook for Tax Year 2005

MASSACHUSETTS W-2 DATA FOR TAX YEAR 2005

Important for Tax Year 2005

We strongly encourage all employers to send their 2005 W-2 file using our [WebFile for Business](#) application.

General Information

Employers who have 250 or more employees and who file Forms W-2 with the Social Security Administration (SSA) must also provide the Department of Revenue (DOR) with Forms W-2. When using WebFile for Business, login, simply click on “report wages” and follow the instructions for uploading your W-2 file. You may also use disk, tape or cartridges. Employers with fewer than 250 employees who file all Forms W-2 on paper with the SSA are not required to file W-2 data with DOR.

The Massachusetts Department of Revenue (DOR) has based this Tax Year 2005 W-2 Handbook on the Social Security Administration (SSA) Specifications for Magnetic Media Reporting and Electronic Filing of Annual W-2 Information (MMREF).

To see what’s new for this year and any changes for tax year 2005 please visit <http://www.socialsecurity.gov/employer/> and select Forms and Publications (MMREF-1)

Filing Information

Form W-2 information files are due by February 28, 2006. All tape and diskette filing must be sent to:

Massachusetts Department of Revenue
W-2 Magnetic Media Filing
PO Box 7084
Boston, Ma 02204

Courier or overnight mail must be sent to:

Massachusetts Department of Revenue
W-2 Magnetic Media Filing
Tape Library, 3rd Floor
200 Arlington Street
Chelsea, MA 02150

Extensions

Extensions of time to file may be requested in writing prior to February 28, 2006. Please include a fax number, the name of your organization's contact, and if possible, his or her e-mail address.

This will allow DOR to respond to your request more quickly.
Send your written requests to:

Massachusetts Department of Revenue
Compliance Division
W-2 Extension Request
Po Box 7084
Boston, Ma 02204

Massachusetts Department of Revenue
Compliance Division
W-4 Extension Request
Po Box 7032
Boston, Ma 02204

Corrections

W-2 Corrections may be filed on paper regardless of number corrected. Send all corrected (W-2c) forms to:

Massachusetts Department of Revenue
Compliance Division
W-2 Corrections
Po Box 7030
Boston, Ma 02204

Massachusetts Department of Revenue
Compliance Division
Bank Match and 1099 Corrections
Po Box 7045
Boston, Ma 02204

Tape Specifications

Please follow these specifications when submitting files on magnetic media to the Department. Special codes and other requirements are the same as published in the SSA MMREF Guide; e.g. State and Country codes.

W-2 Reporting

Please read these specifications carefully.
Acceptable Medium: Information must be provided to DOR on 1/2" Tape, 3480 Cartridge, or 3 1/2" diskette. DOR will notify tape and cartridge filers when their file has been successfully processed.

Federal Data on File

DOR will not read or process any information, including federal information, in records that are not required or in those fields marked "Blank" in these specifications. (For required records, see Record Types for Massachusetts State Reporting, below.)

Money Fields

Money fields are always positive, include dollars and cents and have no punctuation (no dollar sign, no decimal point). Money fields are always right justified and zero filled to the left. (Example, if filling 11 positions, \$5,500.99 = 00000550099).

Multiple Tape Files

No multiple tape or cartridge files may be sent; each tape or cartridge must be submitted as a separate file. Each file must begin with a Code "RA" record and end with a Code "RF" record

Multiple Diskettes

If the number of data records exceeds the capacity of a single diskette, **DO NOT COMPRESS DATA, DO NOT SEND ZIPPED FILES**. The data may be sent using one of the following methods:

Separate Files (Preferred): The data file is divided into multiple diskettes, each as a separate file, beginning with a Code “RA” record and ending with a code “RF” record.

Continuous. The data file is continued onto one or more subsequent diskettes, i.e., volumes, as follows:

- 1) Volume 1 begins with a Code RA record. The last volume will contain the Code RF record as the last record.
- 2) Each volume after volume 1 should begin with the record that follows the last record on the preceding volume.

For example, if volume 1 ends with a Code RE record, volume 2 begins with the related Code RW record(s).

The external diskette labels for a multiple-volume file **MUST** indicate the proper sequence (e. g., VOL. 2 of 3) for processing.

Density. Acceptable densities for tape files may be 800, 1600 or 6250 characters per inch. Cartridges must be 38,000 characters per inch (SSA standard) and 18 track. Round tapes cannot exceed 9 tracks. Diskette reports sent on MS-DOS (3 1/2“) diskettes files must be formatted to the following density: 3 1/2“ high density 1.44 megabytes; and 3 1/2“ double density 720 kilobytes.

Internal Labels. Not required. Conform to SSA standards if you use internal labels, and make the proper indication on the MA Magnetic Media Transmitter Report filed with your report.

Tapemarks. Conform to SSA standards.

Character Sets: Tape or cartridge: ASCII is preferred, EBCDIC is acceptable. UPPER CASE LETTERS ONLY. **Diskette:** ASCII is required. UPPERCASE LETTERS ONLY.

Logical Record Length: Each record must be 512 characters long.

Physical Records. All physical records must be the same length.

Blocking Factor. Blocking factor may not exceed 45 records per block. DOR prefers 45 logical records per block.

External Labels: An external label must be present on each tape or cartridge and must contain the following information. Most of the data is contained in the CODE “RA” record, and must agree with it. Files submitted without an external label cannot be processed.

“2005 W-2 FILE” (or other year, if applicable).

CHARACTER SET (ASCII or EBCDIC)

BLOCKING FACTOR

EIN and NAME of the submitter

STREET ADDRESS, CITY, STATE, ZIP of the submitter.

NAME of the contact person

PHONE NUMBER of the contact person

INVENTORY control number (assigned by you) is not required. Vol. ____ of ____ . (When submitting more than one diskette.)

Transmittal Form: A DOR W-2 Magnetic Media Transmitter Report must accompany each magnetic media file. One is provided at the end of this Handbook. These forms may be photocopied, provided the affidavit and signature are included.

Records Retention: Employers must retain the ability to generate magnetic media W-2 files for at least three years from the due date of the filing.

Terminating Business: If you terminate your business during the year, file W-2s by the last day of the month that follows the due date of your final Massachusetts Employer's Return of Income Taxes. Issue W-2 copies to employees by the due date of the final MA Form 941. Enter a "1" in the RE, Employer Record, position 26. To close your Massachusetts business registration contact the DOR's Customer Service Bureau at 617-887-6367.

Record Types for State Reporting: The following are the records required to be filed with Massachusetts MA DOR. Most of the required information is in the same record and location (or position) as found in the SSA MMREF. However, Records RE, RS, RT and RF have at least one important modification for Massachusetts state reporting.

"RA" Submitter Record

This is the first record on each file. RA records are required. The RA record identifies the organization submitting the file. This record is substantially the same as it is for the SSA MMREF.

Key fields must be filled in to pass validation: Submitter Name, EIN, Address, City, and State.

“RE” Employer Record

This record identifies the employer paying the wages for the employees in the later RS record. RE records are required.

Key fields must be filled in to pass validation: Employer FID, Name, Address, City, and State.

“RW” Federal Employee Records

These records are optional.

“RO” Employee Records

These records are optional

“RS” Employee State Record

These records are required. Be sure to only submit those RS Records that report state wages taxable by Massachusetts.

Key fields must be filled in to pass validation: Employee SSN, Last Name, Taxable Wages, and Withholding Tax

“RT” Total Employer Record

This record is required.

Key fields must be filled in to pass validation: Total Number of “RS” or “RW” Records, Total State Taxable Wages, and Total State Withholding Tax.

“RU” Total Record

This record is optional.

“RF” Final Record

This record is required.

Frequently Asked Questions About Employee Wage Reporting and Record Retention

Which withholding records should employers retain?

Retained withholding records should include the following:

- § the name, address, occupation and social security number of each employee;
- § the amount and date of all payments of wages, the periods of services covered by such payments and the amount of taxes withheld;
- § Employees’ statements of tips received;
- § Employees’ withholding exemption certificates (Forms W-4 and M-4);
- § Employer’s copies of employees’ Wage and Tax Statements (Form W-2); and
- § Copies of all withholding returns filed with the Department of Revenue.

How long should withholding records be kept?

It is the employer's responsibility to retain all records pertaining to withholding for at least three years after the date the return was filed or the date it was required to be filed, whichever is later. There is no limitation on the period for which DOR may request records if an employer failed to file a return or filed false or fraudulent returns. Further information about retaining records is available in Regulation 830 CMR 62C.25.1, Records retention. To obtain a copy, please call either DOR's Rulings and regulations bureau at (617) 626-3250 or DOR's Fax on Demand system at (617) 887-1900, using the handset and the keypad on your fax machine, and entering document number 2604.

Most Frequently Encountered File Problems with W-2 Magnetic Media Files

Below are the most frequently encountered problems with W-2 magnetic media files submitted to the Department of Revenue. These problems require correction and a replacement file.

§ Non Numeric characters and/or blanks or spaces found in Numeric-only fields.

Submitter Identification Number, Code RA Submitter Record

Employer Identification Number, Code RE Employer Record

Employee Social Security Number, Code RS State Record

If a non-numeric character and/or blank or space is found in one of the above fields, the file will be returned to the submitter for correction.

§ The file submitted does not contain a Code RS State Record.

The Code RS Record contains required Massachusetts income and withholding data.

§ The file does not conform to the Massachusetts MMREF file specification.

These W-2 specifications are based on the SSA MMREF, but contain changes for Massachusetts. The SSA TIB-4 is no longer acceptable for filing Form W-2 data.

§ The magnetic media label is missing or is incomplete.

Without proper identification and labeling, magnetic media cannot be processed.

§ Incorrect Code RT Record Programming

The Massachusetts Code RT Total Record totals only the amounts reported in the Code RS State Record. Many filers incorrectly enter totals from the SSA Code RW Wage Record, which is not required for Massachusetts W-2 reporting.

§ Incorrect Code RT Record Totals

DOR totals each field in your RS State Record, and found the figures do not match the totals you entered in your RT Total Record

Form W-2 Magnetic Media Transmitter Report

(Rev. 12/02)
Massachusetts
Department of
Revenue

Please print or type. For each type of media submitted, complete a separate Magnetic Media Transmitter Report. Mail all completed W-2 reports and media to: **Massachusetts Department of Revenue, W-2 Magnetic Media Filing, P.O. Box 7084, Boston, MA 02204**

Submitter/Transmitter Federal Identification Number: ____ -- ____

YOUR TAPE CANNOT BE PROCESSED WITHOUT THE SUBMITTER FID NUMBER

Submitter name	Contact Person
Street Address	Contact Telephone Number
City/Town	State Zip Code

☐ Check if your organization's address or name has changed since filing its last report.

Only the Massachusetts W-2 MMREF format will be accepted.

1. Tax Year Filing: _____

2. Media Filed: ☐ 9-Track Magnetic Tape ☐ IBM 3480 Cartridge ☐ 3.5" Diskette (unzipped and uncompressed)

3. Tape/Cartridge Magnetic Media Information. No zipped or compressed files.

Blocking Factor _____ (Do not exceed 45)

Format ☐ ASCII ☐ EBCDIC ☐ VMS Backup

Density ☐ 1600 BPI ☐ 6250 BPI ☐ 37,871 (36 Track not accepted)

Internal Label ☐ IBM Standard ☐ Unlabeled

Record Length is 512 bytes as required by the MMREF format. THE TIB-4 based format is no longer acceptable.

4. Is the file tape submitted multiple reels or disks? ☐ YES ☐ NO

If you checked "Yes," enter tape numbers of multiple reel files: _____ / _____ / _____

5. What is the total number of employers reported? _____

6. What is the total number of employees reported? _____

7. Does your company currently file, or plan to file, Form W-2 Reports to the Social Security Administration via Electronic Data Transfer (EDT) or the Online Wage Reporting Service (OWRS)? ☐ Yes ☐ No

I declare I have examined this report and to the best of my knowledge and belief it is true, correct, and complete.

Signature _____ Title _____ Date _____

This form is the only tape documentation needed. Tape dumps and other reports are not required.